

NAFA Government Securities Savings Fund (NGSSF)



MONTHLY REPORT (MUFAP's Recommended Format)
Unit Price (31/08/2016): Rs. 10.3728

August 2016

Performance %

Performance Period	Aug 2016	FYTD 2017	Trailing 12 months Sep 15 - Aug 16	FY 2016	Since Launch July 10, 2014*
NAFA Government Securities Savings Fund	4.5%	4.8%	5.9%	6.5%	9.9%
Benchmark	4.9%	5.3%	6.0%	6.2%	7.5%

* Annualized Return Based on Morning Star Methodology The performance reported is net of management fee & all other expenses and based on dividend reinvestment gross of with-holding tax where applicable. All other returns are Annualized Simple Return

General Information

Launch Date:	July 10, 2014
Fund Size:	Rs. 174 Million
Type:	Open-end – Income Fund
Dealing Days:	Daily – Monday to Saturday
Dealing Time:	(Mon - Thr) 9:00 A.M to 5:00 P.M (Friday) 9:00 A.M to 5:30 P.M (Saturday) 9:00 A.M to 1:00 P.M
Settlement:	2-3 business days
Pricing Mechanism	Forward Pricing
Load:	Front end: 1% (Nil on investment above Rs. 16 million) Back end: 0%
Management Fee:	10% of Net Income (Min 0.5% p.a., Max 1.0% p.a.)
Total Expense Ratio:	1.44% p.a.(including 0.17% government levies)
Risk Profile:	Low
Fund stability rating	"AA- (f)" by PACRA
Listing:	Pakistan Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	KPMG Taseer Hadi & Co. Chartered Accountants
Benchmark:	70% average 6-Month PKRV & 30% average 3-Month deposit rates (A+ & above rated banks)
Fund Manager:	Asad Haider
Minimum Subscription:	Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/-
Asset Manager Rating:	AM2++ by PACRA (High Investment Management Standards)

Investment Objective

To provide competitive return from portfolio of low credit risk by investing primarily in Government Securities.

Fund Manager Commentary

During the month under review, the Fund has generated an annualized return of 4.5% against the benchmark return of 4.9%. Since its launch in July 2014, the Fund offered an annualized return of 9.9% against the Benchmark return of 7.5%, hence an outperformance of 2.4% p.a. This outperformance is net of management fee and all other expenses.

NAFA Government Securities Savings Fund (NGSSF) invests a minimum of 70% in Government Securities. The Fund invests a minimum 10% of its assets in less than 90 days T-Bills or saving accounts with banks, which enhances liquidity profile of the Fund.

As the asset allocation of the Fund shows, exposure in Government Securities was around 74.9% of the Total Assets and 78.6% of Net Assets at the end of the month with average Yield to Maturity of 5.9% p.a. Last one year allocation in Government Securities was around 78.3%. The weighted average time-to-maturity of the Fund is 0.4 year.

We will rebalance the allocation of the fund proactively based on the capital market outlook.

Asset Allocation (% of Total Assets)

	31-Aug-16	30-July-16
PIBs	31.9%	18.9%
Tbills	43.0%	63.2%
Bank Deposits	22.5%	16.3%
Other including receivables	2.6%	1.6%
Total	100.0%	100.0%
Leverage	Nil	Nil

Credit Quality of the Portfolio as of Aug 31, 2016 (% of Total Assets)

Government Securities (AAA rated)	74.9%
AAA	1.6%
AA+	4.6%
AA	0.3%
AA-	0.7%
A+ & below	15.3%
Other including receivables	2.6%
Total	100.0%

WORKERS' WELFARE FUND (WWF)

The scheme has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs. 1,621,195/- If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs. 0.0965/0.98%. For details investors are advised to read note 5 of the Financial Statements of the Scheme for the period ended March 31, 2016. From July 01, 2015 Workers Welfare Fund (WWF) is not being charged.

Name of the Members of Investment Committee

Dr. Amjad Waheed, CFA
Sajjad Anwar, CFA
Muhammad Ali Bhabha, CFA, FRM
Syed Suleman Akhtar, CFA
Asad Haider

Notes: 1) The calculation of performance does not include cost of front end load.
2) Taxes apply. Further, tax credit also available as per section 62 of the Income Tax Ordinance, 2001.